

# FY 2001-02 BUDGET

## BUDGET SECTION SUMMARY

Section Title:

SONOMA VALLEY COUNTY SANITATION DISTRICT

### A. Program Description

This budget finances operation, maintenance, and administration of a collection system, pumping stations, a treatment plant, and disposal facilities which serve the Sonoma Valley County Sanitation District (CSD). The District includes the City of Sonoma, as well as the communities of Boyes Hot Springs, Agua Caliente, El Verano and Glen Ellen. The Sonoma Developmental Center is outside the District, but is served by agreement.

### B. Financial Summary

Section	GROSS EXPENDITURES			NET COST/USE OF FUND BALANCE		
	FY 00-01 Adopted	FY 01-02 Requested	Percent Change	FY 00-01 Adopted	FY 01-02 Requested	Percent Change
Operations	\$7,746,630	\$7,588,500	(2.04%)	\$1,721,324	\$904,136	(47.47%)
Revenue Bonds	858	0	(100.00%)	858	0	(100.00%)
Construction	16,636,018	4,272,000	(74.32%)	4,163,068	3,708,420	(10.92%)
EPA	0	0	N/A	0	0	N/A
Outfall Line	16,440	15,535	(5.50%)	(33,560)	(34,465)	2.70%
Glen Ellen Bonds	9,650	9,250	(4.15%)	(6,860)	(7,660)	11.66%
1998 Rev Bonds	13,198,909	1,309,044	(90.08%)	11,293,409	(196,456)	(101.74%)
<b>TOTAL:</b>	<b>\$37,608,505</b>	<b>\$13,194,329</b>	<b>(64.92%)</b>	<b>\$17,138,239</b>	<b>\$4,373,975</b>	<b>(74.48%)</b>

### C. Staffing Summary

No staffing is allocated to this index.

### D. Workload Summary

Workload Indicator	FY 99-00 Actual	FY 00-01 Budget Estimate	FY 00-01 Revised Estimate	FY 01-02 Projected	Change from FY 00-01 Budget Estimate
TOTAL ESDs	16,016	15,759	15,224	16,302	3.45%
TOTAL APNs	10,542	10,548	10,704	10,750	1.92%

### E. Summary of Issues and Significant Changes

The requested rate per ESD for FY 01-02 annual service charges is \$400, representing a 6.1% increase from FY 00-01. Annual sewer service charge revenue collected on the tax roll (adjusted for the anticipated number of ESDs and an estimated delinquency factor) is projected to be higher than the FY 00-01 budget. This revenue change is due to the fact that projected ESDs for FY 01-02 are higher than the adopted FY 00-01 budget estimate.

The Sonoma Valley County Sanitation District (Sonoma Valley CSD) provides sewage collection, treatment, and disposal service to the Sonoma Valley area. Wastewater is collected by gravity system and flows to the Sonoma Valley CSD wastewater treatment plant for processing. Recycled water is used to irrigate local crops during the summer and is discharged to San Pablo Bay via Schell Slough during the winter. The Sonoma Valley CSD treatment plant is designed to treat an average daily dry weather flow of up to 3.0 million gallons per day to secondary wastewater treatment standards. The California Regional Water Quality Control Board, San Francisco Bay Region, (SFBRWQCB) issued a new NPDES permit for the Sonoma Valley CSD (Orer No. 98-111) on October 21, 1998. The Sonoma Valley CSD is appealing the permit

#### **E. Summary of Issues and Significant Changes (Continued)**

In the past, the Sonoma Valley treatment plant has experienced numerous operational difficulties due to high wet weather inflows, worn out and obsolete equipment, and insufficient storage and disposal capacity in the reclamation system. In November 1997, the Sonoma Valley CSD received an Administrative Civil Liability order from the SFBRWQCB in response to permit violations. The Sonoma Valley CSD responded by accelerating as much as possible the time frame for completion of projects needed to correct the cause of the violations.

The Sonoma Valley CSD reclamation system requires an additional 650 acre-feet of storage to mitigate a shortage of storage and disposal capability identified during the Clean Water Act grant in 1995. The Sonoma Valley CSD released a Final Environmental Impact Report for the Effluent Storage Project in December 1997, and in January 1998, the Sonoma Valley CSD Board of Directors approved a reservoir project of up to 473 acre-feet on the former Overland Flow Facility Site. A consultant is performing reservoir design. Construction of the new reservoir is expected to begin in FY 00-01 or FY 01-02.

A 1994 study of the collection system showed that approximately 10 of the 120 miles of Sonoma Valley CSD pipeline needs to be repaired or replaced due to deterioration or insufficient capacity. The Sonoma Valley CSD has implemented a capital replacement program with the long-term intent of replacing these pipeline sections. During FY 01-02, the Solano Avenue collection system project is expected to be completed and the Fifth Street West/East Napa/East MacArthur collection system project is expected to be started.

The Sonoma Valley CSD is currently working on a wet weather overflow prevention study in order to comply with the Notice of Violation regarding sewer system overflows received in April of 1999. The findings of this study will be used by the SFBRWQCB to determine the appropriate level of water quality protection required for water bodies potentially affected by Sonoma Valley CSD sewer system overflows. The study will also identify those areas within the Sonoma Valley CSD collection system where repair and/or replacement projects are the most needed.

The Sonoma Valley CSD's has completed a substantial number of repairs and improvements in the last four fiscal years, and has plans to complete a number of significant projects in FY 01-02 to address remaining deficiencies.

#### **LEVEL OF SERVICE**

In order to develop operational priorities and staffing needs for the sanitation systems, three basic levels of service have been defined by the Water Agency and are described below.

Asset Preservation: services and programs necessary to **operate, maintain and replace** facility assets.

Standard: services necessary to **operate and maintain** the system in order to limit the risk of service interruption and permit violations.

Minimum: services necessary to **operate** the treatment plant.

Estimated operating revenues in FY 01-02 nearly provides sufficient funding for an Asset Preservation level of service.

**F. Summary of Reduction Options**

No reduction options are proposed.

**G. Attachments**

- Summary of Revenues and Expenditures
- Character Justification
- Statement of Special Fund Activity

**FY 2001-02 BUDGET**  
**SUMMARY OF REVENUES AND EXPENDITURES**

**Section Title:** SONOMA VALLEY CSD - OPERATIONS  
**Section/Index No:** 653105

Sub-Object No. and Title	Adopted 2000-01	Requested 2001-02	Difference	Percent Change
<b>REVENUES:</b>				
<b><u>TAXES</u></b>				
1001 Flat Charges - CY	\$5,014,764	\$5,639,040	\$624,276	12.45%
1061 Flat Charges - PY	120,000	126,375	6,375	5.31%
1120 Penalties / Costs on Taxes	20,000	21,000	1,000	5.00%
<b>Subtotal Taxes</b>	<b>\$5,154,764</b>	<b>\$5,786,415</b>	<b>\$631,651</b>	<b>12.25%</b>
<b><u>USE OF MONEY</u></b>				
1700 Interest on Pooled Cash	\$110,000	\$108,000	(\$2,000)	(1.82%)
<b>Subtotal Use of Money</b>	<b>\$110,000</b>	<b>\$108,000</b>	<b>(\$2,000)</b>	<b>(1.82%)</b>
<b><u>CHARGES FOR SERVICES</u></b>				
3400 Sanitation Services	\$609,609	\$641,949	\$32,340	5.31%
3403 Indus. Users Mon/Dischg	20,000	12,000	(8,000)	(40.00%)
3404 Septic Charges	130,000	136,000	6,000	4.62%
<b>Subtotal Charges for Services</b>	<b>\$759,609</b>	<b>\$789,949</b>	<b>\$30,340</b>	<b>3.99%</b>
<b><u>RESIDUAL EQUITY TRANSFERS IN</u></b>				
4865 RET - Within Sp Dist - BOS	\$933	\$0	(\$933)	(100.00%)
<b>Subtotal RET's In</b>	<b>\$933</b>	<b>\$0</b>	<b>(\$933)</b>	<b>(100.00%)</b>
<b>TOTAL REVENUES</b>	<b>\$6,025,306</b>	<b>\$6,684,364</b>	<b>\$659,058</b>	<b>10.94%</b>

**EXPENDITURES:**

**SERVICES AND SUPPLIES**

6040 Communications	\$8,500	\$20,000	\$11,500	135.29%
6180 Maintenance - Bldgs / Impr	290,000	250,000	(40,000)	(13.79%)
6262 Lab Supplies	25,000	25,000	0	0.00%
6521 County Services	0	0	0	N/A
6522 District Services	2,683,000	2,700,000	17,000	0.63%
6570 Consultant Services	227,500	100,000	(127,500)	(56.04%)
6573 Administration Costs	50,000	50,000	0	0.00%
6610 Legal Services	150,000	150,000	0	0.00%
6630 Audit / Accounting Services	31,084	32,500	1,416	4.56%
7201 Gas / Oil	4,000	4,000	0	0.00%
7212 Chemicals	210,000	210,000	0	0.00%
7217 State Permits / Fees	160,000	160,000	0	0.00%
7247 Water Conservation	15,000	15,000	0	0.00%
7250 Reimbursable Projects	20,000	12,000	(8,000)	(40.00%)
7320 Utilities	404,000	510,000	106,000	26.24%
<b>Subtotal Services and Supplies</b>	<b>\$4,278,084</b>	<b>\$4,238,500</b>	<b>(\$39,584)</b>	<b>(0.93%)</b>

## SUMMARY OF REVENUES AND EXPENDITURES

Index No.: 653105

Sub-Object No. and Title	Adopted 2000-01	Requested 2001-02	Difference	Percent Change
<b><u>OTHER CHARGES</u></b>				
7930 Interest - LT Debt	\$0	\$0	\$0	N/A
7970 Taxes / Assessments	0	0	0	N/A
7980 Depreciation	1,500,000	1,500,000	0	0.00%
8090 Loss on Fixed Assets	0	0	0	N/A
<b>Subtotal Other Charges</b>	<b>\$1,500,000</b>	<b>\$1,500,000</b>	<b>\$0</b>	<b>0.00%</b>
<b><u>FIXED ASSETS</u></b>				
8510 Buildings / Improvements	\$99,546	\$0	(\$99,546)	(100.00%)
8560 Equipment	\$69,000	\$0	(\$69,000)	(100.00%)
<b>Subtotal Fixed Assets</b>	<b>\$168,546</b>	<b>\$0</b>	<b>(\$168,546)</b>	<b>(100.00%)</b>
<b><u>OTHER FINANCING USES</u></b>				
8625 OT - W/in Special Dist - BOS	\$1,600,000	\$1,650,000	\$50,000	3.13%
<b>Subtotal Other Financing Uses</b>	<b>\$1,600,000</b>	<b>\$1,650,000</b>	<b>\$50,000</b>	<b>3.13%</b>
<b><u>APPROPRIATIONS FOR CONT</u></b>				
9000 Approp for Contingencies	\$200,000	\$200,000	\$0	0.00%
<b>Subtotal Approp for Contingencies</b>	<b>\$200,000</b>	<b>\$200,000</b>	<b>\$0</b>	<b>0.00%</b>
<b><u>ADMINISTRATIVE CONTROL ACCOUNT</u></b>				
9200 Ent - Principal	\$0	\$0	\$0	N/A
9209 Ent - Principal Clearing	0	0	0	N/A
9210 Advances	0	0	0	N/A
9219 Advances - Clearing	0	0	0	N/A
<b>Subtotal Administrative Control</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b>TOTAL EXPENDITURES</b>	<b>\$7,746,630</b>	<b>\$7,588,500</b>	<b>(\$158,130)</b>	<b>(2.04%)</b>
<b>TOTAL NET COST</b>				
<i>(Expenditures Minus Revenues)</i>	<b>\$1,721,324</b>	<b>\$904,136</b>	<b>(\$817,188)</b>	<b>(47.47%)</b>

**FY 2001-02 BUDGET**  
**CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Sanitation

**Section Title:** Sonoma Valley CSD - Operations

**Character Title:** Taxes

**Character No.:** 653105-10

**1001 Flat Charges - CY**

Flat charge revenue from annual service charges is expected to increase from the adopted FY 00-01 budget. The rate will increase 6.1%, from \$377 to \$400 and the number of ESDs charged on the tax roll is expected to increase from 13,856 budgeted in FY 00-01 to 14,685 for FY 01-02

ESDs times annual rate:	14,685 x \$400	\$5,874,000
Less Estimated Delinquency Factor:	4%	(234,960)
		<u>\$5,639,040</u>

**1061 Flat Charges - PY**

This item records the estimated delinquent amount of prior years sewer service charges.

**1120 Penalties / Costs on Taxes**

This item records penalties paid on delinquent sewer service charges.

**Character Title:** Use of Money

**Character No.:** 653105-17

**1700 Interest on Pooled Cash**

This account records interest on pooled cash held for the District by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	\$2,400,000
Projected Interest Rate	<u>4.50%</u>
Projected Interest on Pooled Cash	\$108,000

**Character Title:** Charges for Services

**Character No.:** 653105-30

**3400 Sanitation Services**

This account records annual sewer service charges for entities that are invoiced, rather than collected as flat charges on the tax roll, and for new hook-ups as they occur during the year. The Sanitation Rate Ordinance requires that charges be collected at the time permits are issued. The properties are then added to the tax roll master listing and collected through sub-object 1001, Flat Charges, in the following year. Based on the number of projected FY 01-02 invoiced ESDs, the District will experience an increase in revenue from invoiced entities. This is a result of the increased annual service charge for FY 01-02.

ESDs x Annual Charge      1,617 x \$400      =      \$646,800

**3403 Indust Users Monitoring/Discharge**

This account records revenue associated with the Industrial Users Monitoring program or revenue received from any industrial user for events such as an unauthorized (or specially authorized) discharge into the treatment plant. The budgeted amount is expected to offset monitoring expenses anticipated to be incurred primarily by the Agency's Industrial Waste Inspector (see Sub-object 7250, Reimbursable Projects).

**FY 2001-02 BUDGET**  
**CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Sanitation

**Section Title:** Sonoma Valley CSD - Operations

**Character Title:** Charges for Services (continued)

**Character No.:** 653105-30

**3404 Septic Disposal Fee**

This account records the revenue to the district for septic haulers using the treatment plant facilities to dispose of septic waste. This revenue is expected to decrease with the addition of the Eighth Street East Sewer Assessment District to the Sonoma Valley CSD. Residents in this area represented a significant portion of septic hauler revenue, which will now be reflected in an increase in sewer service charges.

**Character Title:** Services and Supplies

**Character No.:** 653105-60

**6040 Communications**

This account records expenses paid by the District for outside communication services such as Pacific Bell and AT&T, as well as for the cost of alarm services provided by Honeywell.

**6180 Maintenance - Bldgs / Impr**

This account records the cost of parts and materials required to maintain the collection system and treatment facilities.

**6262 Lab Supplies**

This account records the cost of lab supplies required for testing and monitoring wastewater.

**6522 District Services**

This account records the cost of labor and overhead required for operation and maintenance of the District's facilities and equipment, as well as other related service and supply type items. No significant increase has been proposed in this account for FY 01-02.

**6570 Consultant Services**

This account records the costs of services provided by outside consultants. For FY 01-02, the District has significantly reduced this request.

**FY 2001-02 BUDGET  
CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Sanitation

**Section Title:** Sonoma Valley CSD - Operations

**Character Title:** Services and Supplies (continued)

**Character No.:** 653105-60

**6573 Administration Costs**

This account represents the 1% administration fee assessed by the County for processing collection of flat charges on the tax roll.

**6610 Legal Services**

This item covers the estimated cost of legal services to be provided by County Counsel, or outside legal services, as required. The District is currently appealing permit and local limits resulting in the increased expenses for FY 01-02.

**6630 Audit / Accounting Services**

This item represents an estimate from the Auditor's Office for the FY 01-02 expense for the audit of the previous fiscal year (\$5,800, as set forth in the Budget Instructions). In addition, this item records the direct allocation of Auditor-Controller Fiscal Services staff costs for time expected to be spent on District accounting.

**7212 Chemicals**

This account records the cost of chemicals required for operation of the treatment plant in accordance with the District's NPDES permit (as required by the State Water Quality Control Board). No significant increase is expected in the forthcoming year.

**7217 State Permits / Fees**

This account records the cost of obtaining the District's permits related to NPDES, as mandated by the Regional Water Quality Control Board.

**7247 Water Conservation Program**

This account records all expenses of the water conservation program, including labor, overhead, and direct service/supply costs to administer the program. Similar costs for administering and implementing the water education program are also included in this account.

**7250 Reimbursable Projects**

This account records any expenses that are expected to be covered by reimbursement. The budget request is based on projected expenses associated with the Industrial Waste Inspector and the program for monitoring industrial users.

**7320 Utilities**

This account records the cost of utilities, such as gas, electricity, and water.

**FY 2001-02 BUDGET**  
**CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Sanitation

**Section Title:** Sonoma Valley CSD - Operations

**Character Title:** Other Charges

**Character No.:** 653105-75

**7970 Taxes / Assessments**

This account records property taxes paid by the District to the Sonoma County Tax Collector.

**7980 Depreciation**

Generally accepted accounting principles require that depreciation be expensed each year. The amount requested covers depreciation for all assets of the Sonoma Valley CSD, which now includes those assets previously recorded under Glen Ellen - CSA No. 41.

**Character Title:** Other Financing Uses

**Character No.:** 653105-86

**8625 OT - W/in Special Dist - BOS**

This account reflects the transfer of cash from the operations fund to the Outfall Line fund and the 1998 Revenue Bond fund to cover principal and interest payments, as well as to the construction fund to finance the capital replacement program. If the operations fund does not have sufficient cash available to finance planned capital projects, the transfer to the construction fund will not be made and any uncompleted projects will be rescheduled and rebudgeted in the next fiscal year.

*Transfer to:*

Outfall Line Fund	\$ 50,000
1998 Revenue Bond Fund	1,500,000
Construction Fund	100,000
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Total Operating Transfer	\$ 1,650,000

**Character Title:** Appropriations for Contingencies

**Character No.:** 653105-90

**9000 Appropriations for Contingencies**

This account provides funding for unanticipated expenditures or revenue shortfalls.

**FY 2001-02 BUDGET**  
**STATEMENT OF SPECIAL FUND ACTIVITY**

**Department:** Sonoma County Water Agency - Sanitation  
**Section:** Sonoma Valley CSD - Operations  
**Index No.:** 653105

DESCRIPTION OF FUND ACTIVITY	Actual FY 99-00	Estimated FY 00-01	Requested FY 01-02
<b>Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings Available for Budgeting</b> (See Detailed Components Below)	<b>\$1,943,896</b>	<b>\$1,153,481</b>	<b>\$565,181</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase retained earnings	5,733,383	5,917,000	6,684,364
Expenditures - (Decrease) retained earnings	(7,819,438)	(8,005,300)	(7,588,500)
<b>Net Surplus or Deficit - Inc/(Dec) to retained earnings</b>	<b>(2,086,055)</b>	<b>(2,088,300)</b>	<b>(904,136)</b>
<b>Adjustments to Reserves/Encumbrances:</b>			
7980 Depreciation	1,314,496	1,500,000	1,500,000
7931 Capitalized Interest	(4,167)		
Net Change in Encumbrance	(14,683)		
<b>Net Adjustment - Increase/(Decrease) to Retained Earnings</b>	<b>1,295,646</b>	<b>1,500,000</b>	<b>1,500,000</b>
<b>Undesignated/Unreserved <u>ENDING</u> Retained Earnings Available for Budgeting</b>	<b>1,153,487</b>	<b>565,181</b>	<b>1,161,045</b>
<b>Total Increase/(Decrease) in Retained Earnings for Fiscal Year</b> (Difference between Beginning and Ending Balance)	<b>(\$790,409)</b>	<b>(\$588,300)</b>	<b>\$595,864</b>
<b><u>Retained Earnings Components at Beginning of FY</u></b>	<b><u>7/1/99</u></b>	<b><u>7/1/00</u></b>	
Cash	\$3,082,620	\$2,331,268	
Accounts Receivable	241,630	52,084	
Other Receivables	144,218	399,454	
Accounts Payable	(272,105)	(208,415)	
Deposits from Others	(790,183)	(943,943)	
Encumbrances (PO)	(18,091)	(16,360)	
Encumbrances (Contract)	(444,193)	(460,607)	
<b>Total Beginning Retained Earnings</b>	<b>\$1,943,896</b>	<b>\$1,153,481</b>	

**FY 2001-02 BUDGET**  
**SUMMARY OF REVENUES AND EXPENDITURES**

**Section Title:** SONOMA VALLEY CSD - REVENUE BONDS  
**Section/Index No:** 653204

Sub-Object No. and Title	Adopted 2000-01	Requested 2001-02	Difference	Percent Change
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**REVENUES:**

**USE OF MONEY**

1700 Interest on Pooled Cash	\$0	\$0	\$0	N/A
<b>Subtotal Use of Money</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>

**Other Financing Sources**

4625 OT - W/in Special Dist - BOS	\$0	\$0	\$0	N/A
<b>Subtotal Other Financing Sources</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>

<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
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**EXPENDITURES:**

**SERVICES AND SUPPLIES**

6635 Fiscal Agent Fees	\$0	\$0	\$0	N/A
<b>Subtotal Services and Supplies</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>

**OTHER CHARGES**

7920 Interest	\$0	\$0	\$0	N/A
<b>Subtotal Other Charges</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>

**RESIDUAL EQUITY TRANSFERS OUT**

8865 RET - Within Sp Dist - BOS	\$858	\$0	(\$858)	(\$1)
<b>Subtotal Residual Equity Transfers</b>	<b>\$858</b>	<b>\$0</b>	<b>(\$858)</b>	<b>(100.00%)</b>

**ADMINISTRATIVE CONTROL ACCOUNT**

9200 Ent - Principal	\$0	\$0	\$0	N/A
9209 Ent - Principal Clearing	0	0	0	N/A
<b>Subtotal Administrative Control</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>

<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$858)</b>	<b>N/A</b>
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<b>TOTAL NET COST</b> (Expenditures Minus Revenues)	<b>\$0</b>	<b>\$0</b>	<b>(\$858)</b>	<b>N/A</b>
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**FY 2001-02 BUDGET**  
**STATEMENT OF SPECIAL FUND ACTIVITY**

**Department:** Sonoma County Water Agency - Sanitation  
**Section:** Sonoma Valley CSD - Revenue Bonds  
**Index No.:** 653204

DESCRIPTION OF FUND ACTIVITY	Actual FY 99-00	Estimated FY 00-01	Requested FY 01-02
<b>Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings Available for Budgeting</b> (See Detailed Components Below)	<b>\$819</b>	<b>\$865</b>	<b>-\$1</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase retained earnings	46	-	-
Expenditures - (Decrease) retained earnings	-	(866)	-
<b>Net Surplus or Deficit - Inc/(Dec) to retained earnings</b>	<b>46</b>	<b>(866)</b>	<b>-</b>
<b>Adjustments to Reserves/Encumbrances:</b>			
Auditor's Adjustment - Equity Transfer to 98 Bond fund	-		
4200 Enterprise - LTD Proceeds	-		
9200 Enterprise Principal	-	-	-
<b>Net Adjustment - Increase/(Decrease) to Retained Earnings</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Undesignated/Unreserved <u>ENDING</u> Retained Earnings Available for Budgeting</b>	<b>865</b>	<b>(1)</b>	<b>(1)</b>
<b>Total Increase/(Decrease) in Retained Earnings for Fiscal Year</b> (Difference between Beginning and Ending Balance)	<b>\$46</b>	<b>(\$866)</b>	<b>\$0</b>
<b><u>Retained Earnings Components at Beginning of FY</u></b>	<b>7/1/99</b>	<b>7/1/00</b>	
Cash	\$819	\$865	
<b>Total Beginning Retained Earnings</b>	<b>\$819</b>	<b>\$865</b>	

**FY 2001-02 BUDGET**  
**SUMMARY OF REVENUES AND EXPENDITURES**

**Section Title:** SONOMA VALLEY CSD - CONSTRUCTION  
**Section/Index No:** 653303

Sub-Object No. and Title	Adopted 2000-01	Requested 2001-02	Difference	Percent Change
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**REVENUES:**

**USE OF MONEY**

1700 Interest on Pooled Cash	\$225,000	\$135,000	(\$90,000)	(40.00%)
<b>Subtotal Use of Money</b>	<b>\$225,000</b>	<b>\$135,000</b>	<b>(\$90,000)</b>	<b>(40.00%)</b>

**ADMINISTRATIVE CONTROL ACCOUNT**

4210 Advances	\$0	\$0	\$0	N/A
4219 Advances - Clearing	0	0	0	N/A
<b>Subtotal Administrative Control</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>

**OTHER FINANCING SOURCES**

4625 OT - W/in Special Dist - BOS	\$12,247,950	\$428,580	(\$11,819,370)	(96.50%)
<b>Subtotal Other Financing Sources</b>	<b>\$12,247,950</b>	<b>\$428,580</b>	<b>(\$11,819,370)</b>	<b>(96.50%)</b>

<b>TOTAL REVENUES</b>	<b>\$12,472,950</b>	<b>\$563,580</b>	<b>(\$11,909,370)</b>	<b>(95.48%)</b>
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**EXPENDITURES:**

**FIXED ASSETS**

8500 Land	\$0	\$0	\$0	N/A
8510 Building / Improvement	6,667,218	1,151,000	(5,516,218)	(82.74%)
9142 Capital Replacement Program	5,520,800	3,046,000	(2,474,800)	(44.83%)
9143 Corrective Work	4,448,000	75,000	(4,373,000)	(98.31%)
<b>Subtotal Fixed Assets</b>	<b>\$16,636,018</b>	<b>\$4,272,000</b>	<b>(\$12,364,018)</b>	<b>(74.32%)</b>

<b>TOTAL EXPENDITURES</b>	<b>\$16,636,018</b>	<b>\$4,272,000</b>	<b>(\$12,364,018)</b>	<b>(74.32%)</b>
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<b>TOTAL NET COST</b> (Expenditures Minus Revenues)	<b>\$4,163,068</b>	<b>\$3,708,420</b>	<b>(\$454,648)</b>	<b>(10.92%)</b>
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**FY 2001-02 BUDGET**  
**CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Sanitation

**Section Title:** Sonoma Valley CSD - Construction

**Character Title:** Use of Money

**Character No.:** 653303-17

**1700 Interest on Pooled Cash**

This account records interest on pooled cash held for the District by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	\$3,000,000
Projected Interest Rate	<u>4.50%</u>
Projected/Planned Interest on Pooled Cash	\$135,000

**Character Title:** Other Financing Sources

**Character No.:** 653303-46

**4625 OT - w/in Special Dist - BOS**

This account reflects the transfer of cash from the operations fund to finance the capital replacement program, and from the 1998 Revenue Bond fund to finance qualified expansion projects. If the operations fund does not have sufficient cash available to finance planned capital projects, the transfer will not be made and any uncompleted projects will be rescheduled and rebudgeted in the next fiscal year.

Proposed Operating Transfers FY 00-01

Operations	\$ 100,000
98 Revenue Bond fund	<u>328,580</u>
TOTAL	\$ 428,580

# FY 2001-02 BUDGET

## CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley CSD - Construction

Character Title: Fixed Assets

Character No.: 653303-85

### 8510 Buildings / Improvements

This account can be used to provide capacity to new users pursuant to the County General Plan (using connection fee revenue), as well as for treatment plant and reclamation system improvement projects.

The following projects are planned for the forthcoming year: (\* projects funded by 1998 Revenue Bonds)

		<u>Amount</u>
<u>Chlorine Scrubbers</u>		\$ 10,000
<u>Aeration System Phase 3*</u>	PCAS No. 3720	806,000
Requested funding will allow completion of an on-going project to upgrade and replace aeration equipment in aeration basins 1 through 4.		
<u>Treatment Plant Control Automation</u>	PCAS No. 3237-3	25,000
The requested funding will allow for continuing upgrades to plant electrical equipment and the remote monitoring and control system.		
<u>AWT Upgrade</u>	PCAS No. 3734	100,000
<u>Plant Capacity Upgrades</u>	PCAS No. TBD	
Requested funding will provide for various plant capacity upgrade projects including:		
	Planning/Engineering Analysis	150,000
	Environmental Analysis	50,000
	Materials Storage	10,000
		<hr/>
Subtotal for Buildings / Improvements (Sub-object 8510)		\$ 1,151,000

**FY 2001-02 BUDGET**  
**CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Sanitation

**Section Title:** Sonoma Valley CSD - Construction

**Character Title:** Fixed Assets (continued)

**Character No.:** 653303-85

**9142 Capital Replacement Program**

This funding requested in this account is for repair and replacement of the sewer collection system. Long-term replacement of existing facilities that are worn out and in disrepair will help to bring the facilities up to current sanitation standards and will extend the life of the sanitation infrastructure.

Funding will provide for sewer collection system replacement projects for the following areas: Amount

Fifth St West / East Napa / East Macarthur*	PCAS No. 3709	1,300,000
Solano Avenue*	3585	26,000
Generator Replacement	3713	1,720,000

Subtotal for Capital Replacement Program (Sub-object 9142)	\$	3,046,000
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**9143 Corrective Work**

This account is used for corrective work that came out of the Black and Veatch settlement in FY 95-96. The following active projects will continue into the forthcoming year:

<u>Effluent Storage Reservoir*</u>	PCAS No. 3493	75,000
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The amount requested is expected to allow completion of all design and construction required for: 1) a new treated effluent storage reservoir on the former Overland Flow Facility site in the reclamation system; and 2) 2,700 linear feet of six inch diameter distribution pipeline.

Subtotal for Corrective Work (Sub-object 9143)	\$	75,000
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<b>Grand Total - Character 85</b>	<b>\$</b>	<b>4,272,000</b>
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**FY 2001-02 BUDGET**  
**STATEMENT OF SPECIAL FUND ACTIVITY**

**Department:** Sonoma County Water Agency - Sanitation  
**Section:** Sonoma Valley CSD - Construction  
**Index No.:** 653303

DESCRIPTION OF FUND ACTIVITY	Actual FY 99-00	Estimated FY 00-01	Requested FY 01-02
<b>Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings Available for Budgeting</b> (See Detailed Components Below)	<b>\$1,857,777</b>	<b>\$4,171,750</b>	<b>\$3,670,835</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase retained earnings	6,814,307	11,407,325	563,580
Expenditures - (Decrease) retained earnings	(7,193,642)	(12,708,500)	(4,272,000)
<b>Net Surplus or Deficit - Inc/(Dec) to retained earnings</b>	<b>(379,335)</b>	<b>(1,301,175)</b>	<b>(3,708,420)</b>
<b>Adjustments to Reserves/Encumbrances:</b>			
4220 Contributed Capital	680,879	800,260	427,500
Capitalized Interest	(289,306)		
Change in Encumbrances	2,301,734		
<b>Net Adjustment - Increase/(Decrease) to Fund Balance</b>	<b>2,693,307</b>	<b>800,260</b>	<b>427,500</b>
<b>Undesignated/Unreserved <u>ENDING</u> Retained Earnings Available for Budgeting</b>	<b>\$4,171,749</b>	<b>\$3,670,835</b>	<b>\$389,915</b>
<b>Total Increase/(Decrease) in Retained Earnings for Fiscal Year</b> (Difference between Beginning and Ending Balance)	<b>\$2,313,972</b>	<b>(\$500,915)</b>	<b>(\$3,280,920)</b>
<b><u>Retained Earnings Components at Beginning of FY</u></b>	<b><u>7/1/99</u></b>	<b><u>7/1/00</u></b>	
Cash	\$6,219,677	\$7,289,006	
Other Receivables	42,011	51,856	
Accounts Payable	(720,504)	(1,787,439)	
Encumbrances (PO)	(51,649)	(10,850)	
Encumbrances (Contract)	(3,631,758)	(1,370,823)	
<b>Total Beginning Retained Earnings</b>	<b>\$1,857,777</b>	<b>\$4,171,750</b>	

**FY 2001-02 BUDGET**  
**SUMMARY OF REVENUES AND EXPENDITURES**

**Section Title:** SONOMA VALLEY CSD - OUTFALL LINE  
**Section/Index No:** 653337

Sub-Object No. and Title	Adopted 2000-01	Requested 2001-02	Difference	Percent Change
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**REVENUES:**

**USE OF MONEY**

1700 Interest on Pooled Cash	\$0	\$0	\$0	N/A
<b>Subtotal Use of Money</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>

**OTHER FINANCING SOURCES**

4625 OT - W/in Special District - BOS	\$50,000	\$50,000	\$0	0.00%
<b>Subtotal Other Financing Sources</b>	<b>\$50,000</b>	<b>\$50,000</b>	<b>\$0</b>	<b>0.00%</b>

<b>TOTAL REVENUES</b>	<b>\$50,000</b>	<b>\$50,000</b>	<b>\$0</b>	<b>0.00%</b>
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**EXPENDITURES:**

**OTHER CHARGES**

7930 Interest - LT Debt	\$16,440	\$15,535	(\$905)	(5.50%)
<b>Subtotal Other Charges</b>	<b>\$16,440</b>	<b>\$15,535</b>	<b>(\$905)</b>	<b>(5.50%)</b>

**ADMINISTRATIVE CONTROL ACCOUNT**

9210 Advances	\$33,460	\$34,365	\$905	2.70%
9219 Advances - Clearing	(33,460)	(34,365)	(905)	2.70%
<b>Subtotal Administrative Control</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>

<b>TOTAL EXPENDITURES</b>	<b>\$16,440</b>	<b>\$15,535</b>	<b>(\$905)</b>	<b>(5.50%)</b>
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<b>TOTAL NET COST</b> (Expenditures Minus Revenues)	<b>(\$33,560)</b>	<b>(\$34,465)</b>	<b>(\$905)</b>	<b>2.70%</b>
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# FY 2001-02 BUDGET

## CHARACTER JUSTIFICATION

**Department - Division:** Sonoma County Water Agency - Sanitation

**Section Title:** Sonoma Valley CSD - Outfall Line

**Character Title:** Use of Money

**Character No.:** 653337-17

### 1700 Interest on Pooled Cash

This account records interest on pooled cash held for the District by the County Treasurer's office. No significant cash balance is maintained in this fund. Cash transfers are made from the operations fund to this fund only as necessary to make annual payments due on the long term loan from the State. Accordingly, we do not recommend budgeting any interest revenue during the forthcoming year.

Estimated Average Cash Balance	\$0
Projected Interest Rate	4.50%
Projected/Planned Interest on Pooled Cash	\$0

**Character Title:** Other Financing Sources

**Character No.:** 653337-46

### 4625 OT - W/in Special Dist - BOS

The revenues supporting the payments on the long term loan from the State Revolving Fund are collected in the operations fund. This account reflects the transfer of cash from the operations fund to the this Outfall Line fund to cover the annual principal and interest payment.

**Character Title:** Other Charges

**Character No.:** 653337-75

### 7930 Interest on LT Debt

This account reflects the interest expense on the outstanding loan from the State Revolving Fund. Payments began on this loan in July 1995 and will continue annually until July 2014. The FY 01-02 request is based on the repayment schedule prepared by the State.

**Character Title:** Administrative Control Account

**Character No.:** 653337-92

### 9210 Advances

This account reflects the principal payments on a long term (20 year) loan issued to the District in 1994 from the State Revolving Fund. Payments on the loan will continue until July 2014. The FY 01-02 request is based on the repayment schedule prepared by the State.

The following reflects the principal payment history to date:

Original Amount of the Loan:	\$760,992
Total FY 95-96 through FY 99-00 Principal Payments:	(152,231)
FY 00-01 Principal Payment:	(33,457)
Outstanding Loan Amount	\$575,304

### 9210 Advances - Clearing

This is the clearing account for sub-object 9210, Advances.

**FY 2001-02 BUDGET**  
**STATEMENT OF SPECIAL FUND ACTIVITY**

**Department:** Sonoma County Water Agency - Sanitation  
**Section:** Sonoma Valley CSD - Outfall Line  
**Index No.:** 653337

DESCRIPTION OF FUND ACTIVITY	Actual FY 99-00	Estimated FY 00-01	Requested FY 01-02
<b>Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings Available for Budgeting</b> (See Detailed Components Below)	<b>(\$31,342)</b>	<b>(\$31,369)</b>	<b>(\$31,269)</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase retained earnings	49,865	50,000	50,000
Expenditures - (Decrease) retained earnings	(16,437)	(16,440)	(15,535)
<b>Net Surplus or Deficit - Increase/(Dec) to retained earnings</b>	<b>33,428</b>	<b>33,560</b>	<b>34,465</b>
<b>Adjustments to Reserves/Encumbrances:</b>			
9210 Advances	(32,578)	(33,460)	(34,365)
Adjustment for change in Due to Other Gov'ts	(879)	-	
<b>Net Adjustment - Increase/(Decrease) to Retained Earnings</b>	<b>(33,457)</b>	<b>(33,460)</b>	<b>(34,365)</b>
<b>Undesignated/Unreserved <u>ENDING</u> Retained Earnings Available for Budgeting</b>	<b>(31,371)</b>	<b>(31,269)</b>	<b>(31,169)</b>
<b>Total Increase/(Decrease) in Retained Earnings for Fiscal Year</b> (Difference between Beginning and Ending Balance)	<b>(\$29)</b>	<b>\$100</b>	<b>\$100</b>
<b><u>Retained Earnings Components at Beginning of FY</u></b>	<b><u>7/1/99</u></b>	<b><u>7/1/00</u></b>	
Cash	18,552	18,525	
Due to Other Governments	(32,578)	(33,457)	
Interest Payable	(17,316)	(16,437)	
Other Receivables	-	-	
<b>Total Beginning Retained Earnings</b>	<b>(31,342)</b>	<b>(31,369)</b>	

# FY 2001-02 BUDGET

## SUMMARY OF REVENUES AND EXPENDITURES

Section Title: SONOMA VALLEY - GLEN ELLEN BONDS  
 Section/Index No: 653345

Sub-Object No. and Title	Adopted 2000-01	Requested 2001-02	Difference	Percent Change
<b>REVENUES:</b>				
<b><u>TAXES</u></b>				
1000 Prop Taxes - CY Secured	\$15,600	\$16,000	\$400	2.56%
1020 Prop Taxes - CY Supplemental	150	150	0	0.00%
1040 Prop Taxes - CY Unsecured	400	400	0	0.00%
1060 Prop Taxes - PY Secured	0	0	0	N/A
<b>Subtotal Taxes</b>	<b>\$16,150</b>	<b>\$16,550</b>	<b>\$400</b>	<b>2.48%</b>
<b><u>USE OF MONEY</u></b>				
1700 Interest on Pooled Cash	\$360	\$360	\$0	0.00%
<b>Subtotal Use of Money</b>	<b>\$360</b>	<b>\$360</b>	<b>\$0</b>	<b>0.00%</b>
<b><u>INTERGOVERNMENTAL REVENUES</u></b>				
2440 St - HOPTR	\$0	\$0	\$0	N/A
<b>Subtotal Intergovernmental Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b>TOTAL REVENUES</b>	<b>\$16,510</b>	<b>\$16,910</b>	<b>\$400</b>	<b>2.42%</b>
<b>EXPENDITURES:</b>				
<b><u>SERVICES AND SUPPLIES</u></b>				
6635 Fiscal Agent Fees	\$200	\$200	\$0	0.00%
<b>Subtotal Services and Supplies</b>	<b>\$200</b>	<b>\$200</b>	<b>\$0</b>	<b>0.00%</b>
<b><u>OTHER CHARGES</u></b>				
7920 Interest	\$9,450	\$9,050	(\$400)	(4.23%)
7980 Depreciation	0	0	0	N/A
<b>Subtotal Other Charges</b>	<b>\$9,450</b>	<b>\$9,050</b>	<b>(\$400)</b>	<b>(4.23%)</b>
<b><u>ADMINISTRATIVE CONTROL ACCOUNT</u></b>				
9200 Ent - Principal	\$8,000	\$8,000	\$0	0.00%
9209 Ent - Principal Clearing	(8,000)	(8,000)	0	0.00%
<b>Subtotal Administrative Control</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b>TOTAL EXPENDITURES</b>	<b>\$9,650</b>	<b>\$9,250</b>	<b>(\$400)</b>	<b>(4.15%)</b>
<b>TOTAL NET COST</b> (Expenditures Minus Revenues)	<b>(\$6,860)</b>	<b>(\$7,660)</b>	<b>(\$800)</b>	<b>11.66%</b>

**FY 2001-02 BUDGET**  
**CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Sanitation

**Section Title:** Sonoma Valley - Glen Ellen Bonds

**Character Title:** Taxes

**Character No.:** 653345-10

**1000 Prop Taxes - CY Secured**

The Auditor-Controller establishes a tax rate sufficient to accumulate tax revenues necessary to make bond payments of interest and principal. The bonds were passed to fund construction of sewage facilities.

**1020 Prop Taxes - CY Supplemental**

The amount requested for property tax revenue is based on prior year actuals and current year estimates from the Auditor-Controller's office.

**1040 Prop Taxes - CY Unsecured**

The amount requested for property tax revenue is based on prior year actuals and current year estimates from the Auditor-Controller's office.

**1060 Prop Taxes - PY Secured**

No amount is requested since no revenue has been received in this account in recent years.

**Note:**

The FY 2001-02 bond payment amount (principal and interest) is \$17,050. To avoid major fluctuations in the tax rate from year to year, the tax amount budgeted and/or collected each year may not correspond exactly to the annual bond payment (P&I). Over or under collection in any single year (when compared to the bond payment for that year) merely increases or decreases the fund balance retained for this index. The Auditor's long term tax rate calculations are designed to ensure that debt service obligations are met, while retaining an appropriate level of fund balance, and minimizing unnecessary tax rate fluctuations.

**Character Title:** Use of Money

**Character No.:** 653345-17

**1700 Interest on Pooled Cash**

This account records interest on pooled cash held for this bond fund by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	\$8,000
Projected Interest Rate	4.50%
Projected/Planned Interest on Pooled Cash	\$360

**Character Title:** Intergovernmental Revenue

**Character No.:** 653345-20

**2440 ST - HOPTR**

This account records the receipt of State Home Owner's Property Tax Relief as allocated by the Auditor's Office. The claim is filed with the State based on the number of Homeowner's exemptions filed with the County.

**Character:** Services and Supplies

**Character No.:** 653345-60

**6635 Fiscal Agent Fees**

This account records the fee collected by the County Treasurer for acting as the fiscal agent.

# FY 2001-02 BUDGET

## CHARACTER JUSTIFICATION

**Department - Division:** Sonoma County Water Agency - Sanitation

**Section Title:** Sonoma Valley - Glen Ellen Bonds

**Character:** Other Charges

**Character No.:** 653345-75

### **7920 Interest**

This account reflects the interest expense on the outstanding general obligation bonds. The interest rate is 5%. Payments began January 1, 1977 and will continue semi-annually until July 1, 2016. The FY 01-02 request is based on the bond amortization schedule prepared at the time the bonds were sold.

### **7980 Depreciation**

Appropriations are no longer required in this index for depreciation.

Assets were previously recorded against Index No. 679209 for CSA No. 41, Glen Ellen, so that the bond liability and the assets constructed from the bond proceeds would be in the same fund. Accordingly, depreciation was budgeted and recorded within the index for the CSA. With the movement of the Glen Ellen Bonds into the Sonoma Valley fund structure in FY 1998-99, all assets are recorded against the Sonoma Valley CSD. Depreciation is now budgeted and recorded in the Sonoma Valley Operations Fund.

**Character:** Administrative Controls

**Character No.:** 653345-92

### **9200 Ent - Principal**

This account reflects the principal expense for general obligation bonds that were issued in 1976 to finance the local share of a wastewater collection system. Payments on the bonds will continue until September 1, 2016. The FY 00 01 request is based on the bond amortization schedule prepared at the time the bonds were sold.

The following reflects the bond principal payment history to date:

Original Amount of the General Obligation Bond Issue:	\$300,000
Total FY 77-78 through FY 99-00 Principal Payments:	(111,000)
FY 00-01 Principal Payment:	(8,000)
	<hr/>
Outstanding Bond Amount	\$181,000

### **9209 Ent - Principal Clearing**

This is the clearing account for sub-object 9200, Ent - Principal.

**FY 2001-02 BUDGET**  
**STATEMENT OF SPECIAL FUND ACTIVITY**

**Department:** Sonoma County Water Agency - Sanitation  
**Section:** Sonoma Valley - Glen Ellen Bonds  
**Section:** 653345

DESCRIPTION OF FUND ACTIVITY	Actual FY 99-00	Estimated FY 00-01	Requested FY 01-02
<b>Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings Available for Budgeting</b> (See Detailed Components Below)	<b>\$3,782</b>	<b>\$7,066</b>	<b>\$6,076</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase retained earnings	21,184	16,510	16,910
Expenditures - (Decrease) retained earnings	(9,900)	(9,500)	(9,250)
<b>Net Surplus or Deficit - Inc/(Dec) to retained earnings</b>	<b>11,284</b>	<b>7,010</b>	<b>7,660</b>
<b>Adjustments to Reserves/Encumbrances:</b>			
Residual Equity Transfer	-	-	-
7980 - Depreciation	-	-	-
9200 - Enterprise Principal	(8,000)	(8,000)	(8,000)
<b>Net Adjustment - Increase/(Decrease) to Retained Earnings</b>	<b>(8,000)</b>	<b>(8,000)</b>	<b>(8,000)</b>
<b>Undesignated/Unreserved <u>ENDING</u> Retained Earnings Available for Budgeting</b>	<b>7,066</b>	<b>6,076</b>	<b>\$5,736</b>
<b>Total Increase/(Decrease) in Retained Earnings for Fiscal Year</b> (Difference between Beginning and Ending Balance)	<b>\$3,284</b>	<b>(\$990)</b>	<b>(\$340)</b>
<b><u>Retained Earnings Components at Beginning of FY</u></b>	<b>7/1/99</b>	<b>7/1/00</b>	
Cash	\$3,782	\$7,066	
<b>Total Beginning Fund Balance</b>	<b>\$3,782</b>	<b>\$7,066</b>	

# FY 2001-02 BUDGET

## SUMMARY OF REVENUES AND EXPENDITURES

**Section Title:** SONOMA VALLEY CSD - 1998 REVENUE BONDS

**Section/Index No:** 653352

Sub-Object No. and Title	Adopted 2000-01	Requested 2001-02	Difference	Percent Change
<b>REVENUES:</b>				
<b><u>USE OF MONEY</u></b>				
1700 Interest Income	\$5,500	\$5,500	\$0	0.00%
1701 Interest Earned	400,000	0	(400,000)	(100.00%)
<b>Subtotal Use of Money</b>	<b>\$405,500</b>	<b>\$5,500</b>	<b>(\$400,000)</b>	<b>(98.64%)</b>
<b><u>ADMINISTRATIVE CONTROL</u></b>				
4200 Ent-LTD Proceeds	\$0	\$0	\$0	N/A
4209 Ent-LTD Proceeds - Clearing	0	0	0	N/A
<b>Subtotal Use of Money</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b><u>Other Financing Sources</u></b>				
4625 OT - W/in Special Dist - BOS	\$1,500,000	\$1,500,000	\$0	0.00%
<b>Subtotal Other Financing Sources</b>	<b>\$1,500,000</b>	<b>\$1,500,000</b>	<b>\$0</b>	<b>0.00%</b>
<b>TOTAL REVENUES</b>	<b>\$1,905,500</b>	<b>\$1,505,500</b>	<b>(\$400,000)</b>	<b>(20.99%)</b>
<b>EXPENDITURES:</b>				
<b><u>SERVICES AND SUPPLIES</u></b>				
6500 Prof/Special Services	\$0	\$0	\$0	N/A
6635 Fiscal Agent Fees	\$3,000	\$3,000	\$0	0.00%
6640 Debt Issuance Costs	\$14,650	\$14,650	\$0	0.00%
<b>Subtotal Services and Supplies</b>	<b>\$17,650</b>	<b>\$17,650</b>	<b>\$0</b>	<b>0.00%</b>
<b><u>OTHER CHARGES</u></b>				
7920 Interest	\$966,595	\$946,100	(\$20,495)	(2.12%)
7923 Discount/Bonds	\$16,714	\$16,714	\$0	0.00%
<b>Subtotal Other Charges</b>	<b>\$983,309</b>	<b>\$962,814</b>	<b>(\$20,495)</b>	<b>(2.08%)</b>
<b><u>OTHER FINANCING USES</u></b>				
	12,197,950	328,580	(\$11,869,370)	(97.31%)
8625 OT - Within a Fund	<b>\$12,197,950</b>	<b>\$328,580</b>	<b>(\$11,869,370)</b>	<b>(97.31%)</b>
<b><u>ADMINISTRATIVE CONTROL ACCOUNT</u></b>				
9200 Ent - Principal	\$500,000	\$525,000	\$25,000	5.00%
9209 Ent - Principal Clearing	(500,000)	(525,000)	(25,000)	5.00%
<b>Subtotal Administrative Control</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b>TOTAL EXPENDITURES</b>	<b>\$13,198,909</b>	<b>\$1,309,044</b>	<b>(\$11,889,865)</b>	<b>(90.08%)</b>
<b>TOTAL NET COST</b> (Expenditures Minus Revenues)	<b>\$11,293,409</b>	<b>(\$196,456)</b>	<b>(\$11,489,865)</b>	<b>(101.74%)</b>

**FY 2001-02 BUDGET**  
**CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Sanitation

**Section Title:** Sonoma Valley CSD - 1998 Revenue Bonds

**Character Title:** Use of Money

**Character No.:** 653352-17

**1700 Interest on Pooled Cash**

This account records interest on pooled cash held for the District by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	\$110,000
Projected Interest Rate	4.50%
Projected/Planned Interest on Pooled Cash	\$5,500

**1701 Interest Earned**

Proceeds from the 98 Revenue Bonds are held by US Bank acting as trustee. Interest earnings on the proceeds are retained by the trustee and a corresponding adjustment is made at year end closing to recognize the earnings within this account. The projected interest for FY 01-02 is based on current interest rate trends and the estimated average cash on deposit with the trustee.

**Character Title:** Other Financing Sources

**Character No.:** 653352-46

**4625 OT - W/in Special Dist - BOS**

The revenues supporting this new revenue bond will be collected in the operations fund. This account will be used to reflect the transfer of cash from the operations fund to this revenue bond fund to cover the annual principal and interest payment.

**Character Title:** Services and Supplies

**Character No.:** 653352-60

**6635 Fiscal Agent Fees**

This account records the annual administrative fees from the trustee for the 1998 revenue bonds.

**6640 Debt Issuance Costs**

This account records the costs associated with the issuance of the 1998 revenue bonds. This is an annual expense that will be recognized throughout the life of the bonds. Although this is a non-cash transaction, appropriations are required to record the expense.

**Character Title:** Other Charges

**Character No.:** 653352-75

**7920 Interest**

This account reflects the interest expense on the Sonoma Valley 1998 revenue bonds per the amortization schedule prepared upon the issuance of the revenue bonds.

**7923 Discount/Bonds**

This account records the discount realized upon the issuance of the bonds. This will be an annual expense throughout the life of the bonds. Although this is a non-cash transaction, appropriations are required to record the expense.

**FY 2001-02 BUDGET  
CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Sanitation

**Section Title:** Sonoma Valley CSD - 1998 Revenue Bonds

**Character Title:** Other Financing Uses

**Character No.:** 653352-86

**8625 OT - Within Sp Dist - BOS**

This account reflects amounts transferred to the construction fund for expenses incurred for projects eligible for funding from the proceeds of the 1998 Revenue Bonds.

**Character Title:** Administrative Control Account

**Character No.:** 653352-92

**9200 Ent - Principal**

This account reflects the principal expense for revenue bonds issued in early FY 98-99 to finance the Sonoma Valley CSD's planned capital program. Payments began in FY 98-99 and will continue for 25 years.

**9209 Ent - Principal Clearing**

This is the clearing account for sub-object 9200, Ent - Principal.

**FY 2001-02 BUDGET**  
**STATEMENT OF SPECIAL FUND ACTIVITY**

**Department:** Sonoma County Water Agency - Sanitation  
**Section:** Sonoma Valley CSD - 1998 Revenue Bonds  
**Index No.:** 653352

DESCRIPTION OF FUND ACTIVITY	Actual FY 99-00	Estimated FY 00-01	Requested FY 01-02
<b>Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings Available for Budgeting</b> (See Detailed Components Below)	<b>\$16,971,571</b>	<b>\$11,793,409</b>	<b>\$1,196,989</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase retained earnings	2,336,178	1,905,500	1,505,500
Expenditures - (Decrease) retained earnings	(7,045,690)	(12,033,284)	(1,309,044)
<b>Net Surplus or Deficit - Inc/(Dec) to retained earnings</b>	<b>(4,709,512)</b>	<b>(10,127,784)</b>	<b>196,456</b>
<b>Adjustments to Reserves/Encumbrances:</b>			
Amortized Expenses	31,349	31,364	-
9200 Enterprise - Principal	(500,000)	(500,000)	(525,000)
4200 Enterprise LTD Proceeds	-	-	-
<b>Net Adjustment - Increase/(Decrease) to Retained Earnings</b>	<b>(468,651)</b>	<b>(468,636)</b>	<b>(525,000)</b>
<b>Undesignated/Unreserved <u>ENDING</u> Retained Earnings Available for Budgeting</b>	<b>11,793,408</b>	<b>1,196,989</b>	<b>868,445</b>
<b>Total Increase/(Decrease) in Retained Earnings for Fiscal Year</b> (Difference between Beginning and Ending Balance)	<b>(\$5,178,163)</b>	<b>(\$10,596,420)</b>	<b>(\$328,544)</b>
<b><u>Fund Balance Components at Beginning of FY</u></b>	<b><u>7/1/99</u></b>	<b><u>7/1/00</u></b>	
Cash	\$108,489	\$115,162	
Cash with Trustee	17,778,329	12,585,161	
Matured Principal Payable	(500,000)	(500,000)	
Interest Payable	(415,247)	(406,914)	
<b>Total Beginning Fund Balance</b>	<b>\$16,971,571</b>	<b>\$11,793,409</b>	

## FY 2001-02 BUDGET

### SUMMARY OF REVENUES AND EXPENDITURES

**Section Title:** SONOMA VALLEY CSD - BONDS #3

**Section/Index No:** 653238

Sub-Object No. and Title	Adopted 2000-01	Requested 2001-02	Difference	Percent Change
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**EXPENDITURES:**

**RESIDUAL EQUITY TRANSFERS OUT**

8865 RET - Within Sp Dist - BOS	\$67	\$0	(\$67)	(\$1)
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<b><i>Subtotal Residual Equity Transfers</i></b>	<b>\$67</b>	<b>\$0</b>	<b>(\$67)</b>	<b>(100.00%)</b>
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<b>TOTAL EXPENDITURES</b>	<b>\$67</b>	<b>\$0</b>	<b>(\$67)</b>	<b>(100.00%)</b>
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<b>TOTAL NET COST</b>	<b>\$67</b>	<b>\$0</b>	<b>(\$67)</b>	<b>(100.00%)</b>
<i>(Expenditures Minus Revenues)</i>				

**FY 2001-02 BUDGET**  
**CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Sanitation

**Section Title:** Sonoma Valley CSD - Bonds #3

**Character Title:** Residual Equity Transfers Out

**Character No.:** 653238-88

**8825 RET - Within Sp Dist - BOS**

Appropriations within this account will allow for the closing of the Bond Fund to the Operations Fund. This fund has been inactive since FY 95-96. The requested funds represent the estimated retained earnings balance at fiscal year end 99-00.

**FY 2001-02 BUDGET**  
**STATEMENT OF SPECIAL FUND ACTIVITY**

**Department:** Sonoma County Water Agency - Sanitation  
**Section:** Sonoma Valley CSD - Bonds #3  
**Index No.:** 653238

DESCRIPTION OF FUND ACTIVITY	Actual FY 99-00	Estimated FY 00-01	Requested FY 01-02
<b>Undesignated/Unreserved <u>BEGINNING</u> Fund Balance Available for Budgeting</b> (See Detailed Components Below)	<b>\$67</b>	<b>\$67</b>	<b>\$0</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase fund balance	-	-	-
Expenditures - (Decrease) fund balance	-	(67)	-
<b>Net Surplus or Deficit</b> - Increase/(Decrease) to fund balance	-	(67)	-
<b>Adjustments to Reserves/Encumbrances:</b>			
Adjustment to Interest Earnings			
<b>Net Adjustment</b> - Increase/(Decrease) to Fund Balance	-	-	-
<b>Undesignated/Unreserved <u>ENDING</u> Fund Balance Available for Budgeting</b>	<b>67</b>	<b>0</b>	<b>0</b>
<b>Total Increase/(Decrease) in Fund Balance for Fiscal Year</b> (Difference between Beginning and Ending Balance)	<b>\$0</b>	<b>-\$67</b>	<b>\$0</b>
<b><u>Fund Balance Components at Beginning of FY</u></b>	<b>7/1/99</b>	<b>7/1/00</b>	
Cash	\$67	\$67	
<b>Total Beginning Fund Balance</b>	<b>\$67</b>	<b>\$67</b>	

**FY 2001-02 BUDGET**  
**STATEMENT OF SPECIAL FUND ACTIVITY**

**Department:** Sonoma County Water Agency - Sanitation  
**Section:** Sonoma Valley CSD - EPA  
**Index No.:** 653311

DESCRIPTION OF FUND ACTIVITY	Actual FY 99-00	Estimated FY 00-01	Requested FY 01-02
<b>Undesignated/Unreserved <u>BEGINNING</u> Fund Balance Available for Budgeting</b> (See Detailed Components Below)	<b>\$921,123</b>	<b>\$808,648</b>	<b>(\$41,312)</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase fund balance	-	-	-
Expenditures - (Decrease) fund balance	-	-	-
<b>Net Surplus or Deficit</b> - Increase/(Decrease) to fund balance	-	-	-
<b>Adjustments to Reserves/Encumbrances:</b>			
9210 Advances	(150,000)	(850,000)	-
4220 Contributed Capital		40	
Change in Encumbrances	-		
<b>Net Adjustment</b> - Increase/(Decrease) to Fund Balance	(150,000)	(849,960)	-
<b>Undesignated/Unreserved <u>ENDING</u> Fund Balance Available for Budgeting</b>	<b>\$771,123</b>	<b>(\$41,312)</b>	<b>(\$41,312)</b>
<b>Total Increase/(Decrease) in Fund Balance for Fiscal Year</b> (Difference between Beginning and Ending Balance)	<b>(\$150,000)</b>	<b>(\$849,960)</b>	<b>\$0</b>
<b><u>Fund Balance Components at Beginning of FY</u></b>	<b><u>7/1/99</u></b>	<b><u>7/1/00</u></b>	
Cash	\$667,284	\$554,809	
Due from Other Governments	253,839	253,839	
Accounts Payable	0	0	
Encumbrances (Contract)	0	0	
<b>Total Beginning Fund Balance</b>	<b>\$921,123</b>	<b>\$808,648</b>	